

SCR 6 (Lowenthal)

Internet Service Accessibility in Affordable Housing

FACT SHEET

PURPOSE

This resolution encourages all state and local affordable housing lenders to grant competitive points to developments that provide high-speed in-home Internet service at reduced prices to residents. The resolution also encourages such lenders to recognize both the costs of network infrastructure, maintenance, and the internet service itself as eligible project costs.

SUMMARY

The Internet is rapidly changing the way people live, learn, and earn in modern society. Without access and training, many citizens will be unable to compete in the increasingly technology-driven, knowledge-based economy. Low-income households are significantly less likely to have a computer, Internet access, or home broadband service, while almost all adults earning over \$80,000 a year have a computer, Internet access at home, and a broadband connection.

The federal government has acknowledged through its provision of funds in the American Recovery and Reinvestment Act of 2009 that, due to the immense transformative ability of technology, lack of access has critical social implications.

California has recognized the importance of Internet service for low-income populations since 2003. Through its Low Income Housing Tax Credit program, The California Tax Credit Allocation Committee (TCAC) encourages,

but does not require, affordable housing developers to use housing tax credit funding to provide broadband as a service amenity in affordable housing units. As a result of this policy, 16,949 units of affordable housing throughout the state currently enjoy in-home Internet service as a basic service amenity. The nonprofit One Economy Corporation has assisted 283 affordable housing developments in California design and install data network infrastructure.

It is important that California be proactive to encourage all affordable housing developers to provide Internet access as a service amenity to their residents. The first step towards achieving this goal is encouraging all state and local affordable housing lenders to align their lending policies with the TCAC policies. Furthermore, allowing affordable housing owners to include Internet service and maintenance costs as eligible operating costs will increase their ability to fund the provision of Internet service.

SUPPORT

One Economy Corporation (sponsor)
California Communities United Institute

STATUS

Resolution Chapter 72, Statutes of 20011.

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